



Senate Bill 306

Work Opportunity & Recession Relief Act of 2015

SUMMARY

SB 306 will prevent hunger and deprivation of basic needs during a federally declared recession or in areas with unemployment that is 20% above the national average (called a “Labor Surplus Area”).

ISSUE

Sixty-four percent of poor Californians live in a working home. Unfortunately, most jobs created in the wake of the great recession are low-wage, part-time, and temporary jobs, leaving workers in labor surplus areas with little ability to stay out of poverty. California’s largest safety-net programs require recipients to work in order to be eligible for benefits, provided the recipient is able-bodied. These work requirements make sense during times of economic prosperity and low-unemployment, but when unemployment is high, out-of-work Californians should not be denied much-needed aid to prevent hunger and homelessness.

Federal law provides food aid through the Supplemental Nutrition Assistance Program (SNAP), known as CalFresh in California. The aid is limited for able-bodied adults without dependents (ABAWDs) to just three months out of a three-year period unless they are employed for at least 20 hours a week or participate in the CalFresh Employment and Training (E&T) program. The Federal government may waive this rule if a region has been declared a Labor Surplus Area. Currently, counties may elect not to accept these waivers, foregoing federal money for food assistance in times of great need. Acceptance of the waivers not only prevents hunger, but avoids deepening economic recessions – according to the Economic Research Service of the United States Department of Agriculture, every \$1 billion in federal food aid supports over 7,000 jobs.

Finally, federal law requires the state to provide aid to low-income parents and children through the Temporary Assistance to Needy Family (TANF) program, called CalWORKs in California, and gives the state a block grant to help pay for the program. Adult CalWORKs recipients, with some exceptions, must participate in work activities as a condition of receiving cash benefits. States are required to certify that 50% of all families and 90% of two-parent families are working or participating in welfare-to-work. State law limits adult participation in CalWORKs to 48 months in a lifetime and welfare-to-work services to 24 months in a lifetime, with some exceptions.

SB 306 (HERTZBERG)

SB 306 requires all county and subcounty areas to maximize federally-funded food aid for ABAWDs who have no work opportunities in Labor Surplus Areas. The bill also requires each county to guarantee a placement in E&T for ABAWDs subject to the three-month time limit. SB 306 establishes that, during a federally declared recession, months on aid should not be counted toward the 48-month lifetime limit in CalWORKs, provided the adult has not exceeded 60 months on aid allowed by federal law. In total, the bill will prevent hunger and hardship among Californians when jobs are not available.